CENTRAL OIL AND MINING CORPORATION

KEARNS BUILDING

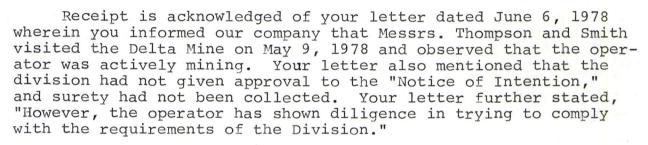
SALT LAKE CITY, UTAH 84101 TELEPHONE 364-9544 (801)

June 21, 1978

Division of Oil, Gas, and Mining 1588 West North Temple Salt Lake City, Utah 84116

Attention: K. Michael Thompson

Gentlemen:



In view of the fact that the existing applicable statutes require that before any mining operations shall be commenced a notice of intention with reclamation plan be filed with and approved by the board and surety given, and the division is fully aware that mining operations were started and continued prior to compliance with the statute, I am asking for clarification of your above quoted statement regarding diligence shown in trying to comply with the requirements of the division. Does this mean that the division can and is waiving the statutory requirements before operations can be commenced and continued, and, if so, under what conditions?

As owner of the subject property request is made for a copy of the surety given to the division and the agreement pertaining to same. Inasmuch as the property consists of unpatented claims on the public domain, what liability, if any, may accrue to the owner if the lessee-operator fails to comply with the reclamation plan or/and if the surety is insufficient to suitably restore the surface area?

Our company will appreciate copies of the tentative approval and the condensed version to be published mentioned in your June 6th letter. Your reply to this letter will be appreciated.

Yours truly,

Mahrell Bently Maxwell Bentley

President

MAXWELL BENTLEY PRESIDENT

LORIN R. BLAUER SECRETARY-TREASURER